

STATE OF WASHINGTON DEPARTMENT OF COMMERCE

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December 31, 2018

RE: Regulatory Streamlining - Regulatory Roadmap

To Washington state legislators,

House Bill 1818 directs the Department of Commerce (Commerce) to work with the business community, local governments, state agencies and others to promote economic development by making it easier for businesses to comply with regulatory requirements. This report summarizes our activity in 2018 and updates the 2017 report, which was submitted late, in June of this year. This report includes additional detail on the development of a web-based application that we believe will be more easily scalable while also providing business users with an improved experience as they access the roadmap sites. We are also pleased to report that for the first time, the funding to Commerce of \$150,000 per year is included in Gov. Jay Inslee's proposed budget as carryforward-level funding.

Since 2014, we have been piloting several online Regulatory Roadmap navigation sites in collaboration with businesses and regulatory agencies. The pilot projects have been great learning opportunities to help us understand how to best provide regulatory information that is useful to businesses looking to understand and predict all regulatory requirements for their expansions or startups. We have been pleased to receive funding to develop the Regulatory Roadmap pilots for manufacturing siting feasibility, starting a restaurant and starting a contractor business. We are currently finalizing roadmap content for residential housing permitting.

One of our core goals is to develop roadmap templates that can be both customized for specific jurisdictions and also easily adapted for additional jurisdictions and industries. The roadmap sites to date have not been easily scaled across jurisdictions. Significant staff resources at Commerce have been needed to adapt the sites for different cities, which has prevented broad adoption of the roadmap sites. The dynamic web-based prototype is intended to be easy to adapt by local jurisdiction staff with minimal assistance from Commerce. The prototype will launch in 2019, and we hope to be able to make long-term recommendations for scaling the roadmap sites across the state and for multiple different business case scenarios.

We welcome your feedback and would be pleased to provide additional information.

Sincerely,

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Regulatory Streamlining – Regulatory Roadmap

Update to the Legislature per HB1818 Section 2(9)

Background

House Bill 1818¹ enables the Department of Commerce (Commerce) to promote economic development by making it easier for businesses to comply with regulatory requirements. Enacted in 2013, the legislation directs Commerce to lead partnerships of state agencies, local agencies, businesses and nonprofits to streamline the business regulatory process. This approach led the agency to pilot online regulatory roadmaps to help businesses navigate local, state and regional regulatory requirements for starting or siting a business.



Kennewick Construction Contractors Roadmap

Between 2016 and late 2018, Commerce expanded its pilot into manufacturing and construction regulatory roadmaps and provided interactive tools to help address specific pain points tailored to a business's unique needs, local codes and agency requirements. Commerce now intends to scale roadmap availability throughout the state for multiple business needs, focusing on opening a new restaurant, siting a manufacturing facility, and becoming a contractor and navigating the residential permitting process. Unable to produce roadmaps

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¹ http://lawfilesext.leg.wa.gov/biennium/2013-14/Pdf/Bills/Session%20Laws/House/1818.SL.pdf

quickly enough to scale and meet demand, Commerce has been developing a web-based approach.

Regulatory Roadmap Branding

In 2017, Commerce began branding the regulatory roadmap graphics to provide a recognizable and consistent experience for businesses seeking to understand what they need to comply with. This consistency will help businesses know at a glance that they can expect a comprehensive understanding to navigating regulatory requirements for jurisdictions that have adopted sector roadmaps.

Pilot Roadmaps to Date

Manufacturing Site Feasibility Roadmaps

- Arlington
- Marysville
- Lynnwood

Restaurant Startup Roadmaps

- Seattle
- Spokane Valley
- Spokane
- Tacoma (partial)

Construction Contractor Roadmap

• Kennewick (construction sector pilot)

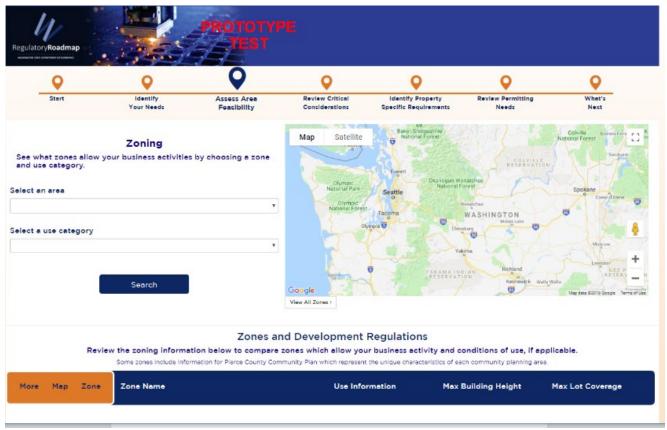
The Future

Commerce's goal is to reach larger segments of the business community, especially small businesses, so they can benefit from a single place to understand and plan for their projects. Successful implementation will yield a competitive advantage for the state, providing needed important assistance that does not dilute regulatory requirements themselves. This will provide predictability and help businesses avoid resubmittals and delays.

The key is to provide business tools from the perspective of the business owner that incorporate multi-jurisdictional and multi-agency information. Commerce continues to collaborate with local and state governments as well as with businesses in the development of these roadmaps to highlight regulatory thresholds that impact businesses throughout their projects.

What's Next?

Commerce is developing a plan to expand the initiative into a statewide program that supports broader and faster adoption of the roadmaps through development of an online prototype. The initial prototype will focus on two local jurisdictions, compiling regulatory information for both in one tool for manufacturing site feasibility. The web-based application will provide users the ability to "try on" different jurisdictions and assess the feasibility of an area for their businesses in one application.



Manufacturing Site Feasibility Prototype

Our goal is to meet business and local jurisdiction demand for regulatory roadmaps by developing a more efficient application that can be launched easily for any jurisdiction or regional area.

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